

Message Text

LIMITED OFFICIAL USE

PAGE 01 QUITO 03021 072132Z

67

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20 STR-08

TAR-02 TRSE-00 USIA-15 PRS-01 SP-03 FEA-02 OMB-01

SWF-02 DRC-01 /171 W

----- 065824

R 072112Z MAY 74

FM AMEMBASSY QUITO

TO AMEMBASSY BOGOTA

INFO SECSTATE WASHDC 0964

AMCONSUL GUAYAQUIL

LIMITED OFFICIAL USE QUITO 3021

E.O. 11652: N/A

TAGS: ETRD, CO, EC

SUBJ: BANANA EXPORT TAX

REF: A. BOGOTA 2319; B. BOGOTA 3325; C. BOGOTA 3772; D. QUITO 2580

1. REFTEL C REPORTS EXPECTATION THAT EXPORT JUNTA WILL ESTABLISH 40 CENTS PER BOX EXPORT TAX AT MAY 7. MEETING. REFTELS A AND B STATED THAT NEW MEASURE MAY TAKE THE FORM OF AN INCREASE IN THE REINTEQRO, THAT IS, THE AMOUNT OF FOREIGN EXCHANGE BANANA EXPORTERS MUST SURRENDER TO THE GOVERNMENT FOR EACH BOX SHIPPED.

2. IN THE ECUADOREAN CONTEXT, THE DISTINCTION BETWEEN TAX AND REINTEQRO MAKES A GREAT DIFFERENCE. THE CONNECTION BETWEEN THE OFFICIAL (REINTEQRO) AND ACTUAL EXPORT PRICES IS TENUOUS BECAUSE EXPORTERS CAN MOVE FREELY INTO AND OUT OF SUCRES AT LOW COST; THUS AN INCREASE IN THE OFFICIAL EXPORT PRICE WOULD NOT NECESSARILY FORCE UP THE ACTUAL PRICE APPRECIABLY (REFTEL D).

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 QUITO 03021 072132Z

ALTHOUGH THE FOREIGN EXCHANGE REGIME IS DIFFERENT IN COLOMBIA,

IT OCCURS TO US THAT, SIMILARLY, INCREASING THE REINTEQRO
THERE MAY NOT NECESSITATE AN EQUAL HIKE IN THE ACTUAL EXPORT
PRICE.

3. WE WOULD BE INTERESTED IN KNOWING WHETHER COLOMBIA NOW PLANS
AN EXPORT TAX OR AN INCREASE IN THE REINTEQRO, AND IN EITHER
CASE, WHAT THE ACTUAL EFFECT ON THE EXPORT PRICE MIGHT BE.
BREWSTER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, CUSTOMS DUTIES, JUNTA, TAXES, BANANAS, MEETINGS, PROPOSALS (BID), PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 07 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974QUITO03021
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740110-1044
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740568/aaaaciuo.tel
Line Count: 69
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. BOGOTA 2319; B. BOGOTA 3325; C. B, OGOTA 3772; D. QUITO 2580
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 11 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 SEP 2002 by martinml>; APPROVED <04 FEB 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BANANA EXPORT TAX
TAGS: ETRD, CO, EC
To: BOGOTA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005